Job Selection Criteria And Job Sector Preference Of Economics Student: An Ordered Logit Model Analysis

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ABSTRACT

This paper studies the job selection criteria of economics final year students in Universiti Utara Malaysia. Relatively, it is found that the long term career prospect is the most important criteria. The applicability of university degree studied has a low relative importance. This reflects the openness of economics students in choosing their first job. Using the estimated ordered logit models, the importance of job selection criteria is found to vary across job sector preferences. For instance, the education job sector is more concerned with job security and flexible working schedule. For business administration job sector, it is more concerned with long term career prospect, working environment, applicability of university degree studies and salary. Compared to male, female students are more concerned with working environment, applicability of university degree studies and job security. Compared to Malay, the Chinese students are more concerned with opportunity to learn and less concerned about the applicability of degree obtained. Academic attainment is found to have no significant influence on the importance of job selection criteria.

Keywords: Job selection criteria; Ordered logit model; Job sector preference.

I. INTRODUCTION

In the face of increasing globalization, competitiveness becomes the main survival tool for firms. To maintain their competitive position in the market, the ability of the firms to attract top quality candidates as their work force is extremely important. Although the supply of

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graduates in Malaysia has increased since 1990s, it has been reported that the experience of the private sector is such that, the demand of skilled labour is met, but not in term of quality, expertise, communication and other soft skills ("Lifelong learning or",2004; "Varsity-industry mismatch",2004). Indeed, attracting top quality graduates is difficult. The major task of recruitment is to attract desirable candidates into a firm's workforce. Furthermore, rejections of the job offered may influence a firm's productivity. Murphy (1986) found that the estimated productivity gain from initial job offered drops significantly whenever there are rejections of the job offered, especially if those who reject the job offer are top quality candidates. Thus, to attract top quality graduates, the firm needs to make the job offer with attributes that meets the selection criteria of the candidates. As such, the understanding of the graduate's job selection criteria is important.

Besides, for Malaysia to achieve the aim of being a developed country by 2020, the graduates are expected to play significant roles. They are expected to be the foundation of the dynamic labor force that can transform Malaysia into a developed country. Given this importance, an understanding of their initial career needs are vital. Individually, the graduates are interested to know and compare their job selection criteria to others. This helps them to build their expectations in the labour market and career development. For the university authorities especially the career counselors, an understanding of the graduates' job selection criteria will help them provide sensible and effective advice on career choice.

In addition, to our knowledge, it is surprising to know that there are no studies that investigate the link of job selection criteria and job sector preferences of graduates in Malaysia. The importance of job selection criteria also may vary across different preferred job sector. For instance, a graduate that prefers jobs from the education sector may rank job security as more important compared to others. To fill the gap, this study is conducted. The objective of this paper is to identify the perceived importance of different job selection criteria of Universiti Utara Malaysia (UUM) economics final year students, and evaluate how these selection criteria are influenced by job sector preferences, gender, ethnicity and academic attainment. Thus, the research questions of this paper are:

1. What is the relative importance of different job selection criteria among the economics final year students in UUM?
2. What is the influence of gender on the perceived importance of different job selection criteria?
3. What is the influence of ethnicity on the perceived importance of different job selection criteria?

4. What is the influence of academic attainment on the perceived importance of different job selection criteria?
5. What is the influence of job sector preferences on the perceived importance of different job selection criteria?

The findings of this paper should improve the understanding of the job selection criteria among economics graduates, taking into account the influence of observed individual heterogeneity and job sector preferences. This understanding will help the firms design more effective recruitment policies and reduce their job offer rejection rate; for the graduates, it helps them to compare and adjust their expectation. Although the data of this paper are based only one university, the findings can complement the results of other studies from other institution and countries. Furthermore, given the high level of homogeneity of economics degree program and student population across different public universities in Malaysia, the findings should have high level of generalization for other Malaysian public universities.

This paper consists of five sections. The next section presents a brief literature review on job selection criteria. The third section describes the data and methodology used. The fourth section discusses the results of this paper. The fifth section concludes the findings of this paper.

II. LITERATURE REVIEW

There is extensive literature on the job selection criteria which the graduates consider and perceive their relative importance when doing their job search after graduating. Most of the literatures surveyed have listed the opportunity for advancement as one of the most important job selection criteria (Boswell et al., 2003; Engku et al., 2003; Moy & Lee, 2002; Wilkinson, 1996; Ahmadi et al., 1995; Lau & Pang, 1995; Hee & Teng, 1994; Felton et al., 1994; Phillips et al., 1994; Turban et al., 1993; Powell, 1991). For instance, Boswell et al. (2003) survey the graduating students from the faculties of engineering, business, labour relations and hotel management. Using a likert scale of 1 being "not at all important" to 7 being "extremely important", the advancement opportunity factor scores a mean of 6.0, which is ranked a high no.2 among the 14 factors.

In another study, Chan & Ho (2000) found that training and examination assistance is the most important criteria for the accounting graduates' choice of employer. Opportunity for advancement includes the opportunity for future career advancement. This intrinsic reward

factor is related to the graduate's future career development. Thus, it is not surprising that it has been consistently ranked as one of the most important criteria.

Salary or wage also has been found as one of the important job selection criteria. Bai (1998) found that for Chinese universities students, good income has become the most important criteria in job selection. Furthermore, there is a stronger approval of the perception that "money is everything" among the graduates. Karl and Sutton (1998) found that good wage is the top-ranked criteria when choosing a job in the private sector. Similar top-ranked position for the salary criteria has also been found by Hee and Teng (1994). In their study, they conclude that pay is the most important factor why business graduates in Singapore do not choose to work in small and medium enterprise.

Using an experiment design, Zikmund et al. (1977) found that a high salary is sufficient to offset the negative effect of "not interesting work" on the likelihood of accepting a job offer. Also, the effect of social responsibility exists only when the level of salary is low. If the salary offered is high even though the firm has low social responsibility, then there is high likelihood of accepting the job offer. This experiment clearly illustrates the importance of salary as job selection criteria for the graduates. Indeed, salary has been regarded as an indication and appreciation of one's ability (Lau & Pang, 1995). For the fresh graduates who are eager to get their returns from university education investment, it is reasonable to find that they perceive the extrinsic reward factor, good income, as one of the important job selection criteria.

However, there are studies which found contradicting results. Hunt (2004) found that among the new business faculties, base salary and fringe benefit package is ranked behind other 12 job selection criteria. For the college recruits of a large petrochemical company, Turban et al. (1993) found that pay and benefits are ranked 7th and 8th among 11 job attributes. Similar findings are also found in studies by Boswell et al. (2003) & Phillips et al. (1994). Salary is the extrinsic reward factor, as pointed out by Lau & Pang (1995). This reward is needed to satisfy the lower end of human need, whereas, the intrinsic reward factor such as opportunity for advancement, is needed to satisfy the higher end of human need. Thus, the contradicting findings may reflect the different emphasis on the needs of the graduates.

In addition to the opportunity for advancement and the salary criteria, job security is another job selection criterion that is consistently found important in the literature. It is found to be the second most important criterion in the studies by Karl & Sutton (1998), and Phillips et al. (1994). Meanwhile, in the studies conducted by Moy & Lee (2002) and Ahmadi et al. (1995), they found job security to be the third most important criterion in job selection.

From the economics perspective, job security may be defined as the job's vulnerability to the business cycle. For instance, jobs in the education and agriculture sector are less vulnerable to economic recession. In addition, given the human desirability for stable consumption, the importance of job security should not be undermined. The smoothing consumption is more preferable than fluctuating consumption, implying that job security is an important job selection criterion.

Counsell (1996) and Ahmadi et al. (1995) also found that the influence of the applicability of degree obtained is one of the important criteria in job selection. It is reasonable that the graduates search jobs that best match their acquired skills and knowledge for future expansion of career prospect. Furthermore, firms are more likely to offer jobs to candidates that have a degree which suits the vacancy. Hence, graduates tend to choose jobs that are applicable to their degree studied to maximize their employability. Nevertheless, given the flexibility of business-related degree graduates (including economics graduates); the job selection criteria of applicability of degree obtained can be less relevant. Graduates (including those with professional degrees) may choose not to limit their job search to increase their chance of getting desirable jobs. In addition, the graduates may take the first job as a stepping stone for future career development. Hence, Lau & Pang (1995) found that, among the final year undergraduate students from the faculties of business, humanities, social science, science and technology, they rank the job selection criterion of "fit into my course of study" as having the lowest relative importance. However, it is interesting to know that whether the finding of Lau & Pang (1995) can be replicated in the context of UUM economics graduates.

The location of the company or the work is also important (Boswell et al., 2003; Wilkinson, 1996; Turban et al., 1993). For instance, Turban et al. (1993) found that location is the top-ranked factor that the college recruits reject the job offered. Besides location, the working condition criteria also can be important (Moy and Lee, 2002; Karl and Sutton, 1998; Hee and Teng, 1994; Turban et al., 1993). There are other job selection criteria such as flexible working hours and fringe benefits.

The importance of the job selection criteria is found to be influenced by some of the observed individual heterogeneity. Gender, especially, has been found to have significant influences on relative importance of various job selection criteria. Chan & Ho (2000) found that, compared to male accounting graduates, female accounting graduates are more concerned about traveling requirement than firm reputation and profit. Hunt (2004) also found that compared to male, female perceives more job selection criteria to be important. Among the job-seeking MBA (Master of Business Administration) students, Thomas & Wise (1999) found that the females perceive the job factors and diversity factors as the more important

selection criteria, as compared to the males. However, there are few studies that found no gender difference in the importance of job selection criteria, such as the study by Turban et al. (1993). In addition to the gender differences, ethnicity and academic attainment can be significant variables in influencing the perceived importance of job selection criteria (Chan & Ho, 2000; Thomas & Wise, 1999; Baker & Hedges, 1991). Since the ethnicity and different level of academic attainment can be the proxies for underlying culture and productivity differences, ethnicity and academic attainment are expected to have significant influence. Thus, the role of ethnicity and academic attainment in determining the importance of different job selection criteria should not be ignored.

In short, the literature has provided a clear list of important job selection criteria. This importance also found to be influenced by some observed individual heterogeneity such as gender, ethnicity and academic attainment. Nevertheless, the influences of job sector preferences on importance of job selection criteria are yet to discover.

III. DATA AND METHODOLOGY

Data

The data used in this paper are taken from Soon (2004). The data consists of all 307 final year economics undergraduates in UUM. The questionnaires are administered during the lecture/classes, achieving the 100% response rate. Being a final year student, it is reasonable to assume that the students are gaining good knowledge and exposures about their preferred job sectors and job selection criteria through participations in career counseling, job fairs, career talks and other career workshop.

The respondents are asked to rank the importance of seven job selection criteria that have been identified by Soon (2004) in her pilot study on the UUM economics graduates, i.e., salary, flexible working schedule, opportunity to learn, long term career prospect, working environment, job security, and applicability of university degree studied. The ranking is anchored at the ordinal scale of 1 being "unimportant" to 9 being "very important". Then, for each job selection criterion, the respondents are asked to rank their job sector preferences, i.e., banking & finance, business & administration, investment, education, and production & manufacturing management. The preference ranking is anchored at the ordinal scale of 1 being "not prefer" to 9 being "prefer most".

This unique information of job sectors preferences ranking enables estimation of the influence of job sector preference on importance of job selection criteria. Indeed, this valuable information links the job sector preferences to job selection criteria.

Methodology

Since the measurement of the dependent variable, the perceived importance of the job selection criteria is of an ordinal scale in nature, the ordered logit models are estimated for each of the job selection criteria. For each job selection criteria, assume that there is a latent variable that represents an individual's personal perceived importance of the job selection criteria. This latent variable is associated with individual characteristics and job sector preferences (x). Let y* represent this latent variable and assume that y* is a linear function of x_i, then,

$$y_i^* = \sum_{i=1}^{n} \beta x_i + u_i \tag{1}$$

where
y* = the unobserved personal preference on the importance of job selection criteria
x = the individual characteristics & job sector preferences
u = the error term

The model assumes that the observed ranking of the importance of job selection criteria (y) is related to the y* (which is unobservable) and also the eight boundary parameters, μ_j, where j=1,2,3,4,5,6,7,8 and $\mu_1 < \mu_2 < \mu_3 < \mu_4 < \mu_5 < \mu_6 < \mu_7 < \mu_8$. The observed ranking of the importance of job selection criteria (y) take the ordered category (J) of 1 (being not important), 2,3,4,5,6,7,8, and 9 (being very important).

Assuming that the error term in the latent equation (1) is logistically distributed, the probability that the student rank the importance of the job selection criteria is given as below:

$$P_{ij} = \Pr(y + j \mid x) = \Lambda(\mu_j - x\beta) - \Lambda(\mu_{j-1} - x\beta)$$

where $j = 1$ to 9 & $\mu_0 = -\infty$ & $\mu_9 = \infty$

The Λ is the cumulative logistic distribution function. The maximum likelihood parameter estimates (MLE) are obtained by maximize the log likelihood function with respect to β and μ,

$$LF(\beta, \mu) = \sum_{i=1}^{n} \sum_{j=1}^{J} z_{ij} \ln(P_{ij}) \tag{2}$$

The z_{ij} is an indicator variable equal to unity if graduate i rank the importance of j and zero otherwise. The model will be estimated with the robust variance estimates (Huber/White/ sandwich estimator of variance).

IV. RESULTS

The Descriptive Statistics

Table 1 presents the characteristic of respondents. It is found that the female and Malay are the majority in the sample (73.62% and 62.87% respectively). This reflects the true characteristic of UUM (and also other public universities in Malaysia) undergraduate population, which is dominated by the female and Malays. The academic attainment is measured by CGPA (Cumulative Grade Point Average). It is found that the average CGPA obtained for the sample is 2.96 out of the continuous scale from 2 to 4.

Table 1: Characteristic of Respondents (n=307)

Categorical	Variable	%	Frequency
Gender	Male	26.38	81
	Female	73.62	226
Ethnicity	Malay	62.87	193
	Chinese	27.04	83
	India	6.19	19
	Others	3.91	12
Continuous	Variable	Mean	Standard deviation
CGPA		2.96	0.33

The second column of Table 2 presents the mean value of the importance of the seven job selection criteria using scale of 1 (being not important) to 9 (being very important). It is clear that the long term career prospect have the highest value (7.69). Thus, it is shown that for the UUM economics graduates, the most important job selection criterion is long term career prospect. It is followed by job security, working environment, salary, opportunity to learn, applicability of university degree studied and flexible working schedule. This finding is consistent with most of the previous studies. Nevertheless, on average, the respondents perceived all the seven job selection criteria as important with a mean value of more than 7.

Table 2: The Importance of Job Selection Criteria

Job selection criteria	Importance mean	Standard deviation
Long term career prospect	7.69	1.33
Working environment	7.53	1.29
Job security	7.53	1.45
Salary	7.49	1.43
Opportunity to learn	7.37	1.38
Applicability of university degree studied	7.09	1.52
Flexible working schedule	7.07	1.38

From Table 3, on overall, all the five job sectors listed are the preferred job sectors, with mean value of preference that more than 5 from the scale of 1 (being not preferred) to 9 (being preferred the most). Using the job selection criteria of salary, the job sector of banking and finance is most preferred, obtaining mean value of 6.99. Similarly, using the job selection criteria of flexible working schedule, opportunity to learn, and working environment, the job sector of banking and finance is most preferred. However, using the job selection criteria of long term career prospect or applicability of university degree studied, the business administration sector is most preferred. For selection criteria of job security, the education sector is most preferred.

In short, the banking and finance job sector is the most preferable for selection criteria of salary, flexible working schedule, opportunity to learn and working environment. The business and administration job sector is most preferred for selection criteria of long term career prospect and applicability of university degree studied. Finally, the education job sector is most preferred under the selection criteria of job security. Thus, it is clearly shown that there is difference between the job selection criteria used and the preferable job sectors. To discover the influence of the job sector preference towards importance of job selection criteria, econometrics models are estimated.

Table 3: Job Sector Preferences and Job Selection Criteria

Job selection criteria	Banking & finance	Business administration	Investment	Education	Production & manufacturing management
		Job sector preference			
Salary	**6.99**	6.95	6.54	6.48	6.66
	(1.63)	(1.57)	(1.79)	(1.86)	(1.60)
Flexible working schedule	**7.07**	6.47	6.51	6.27	6.73
	(1.72)	(1.59)	(1.81)	(1.88)	(1.58)
Opportunity to learn	**7.03**	7.01	6.69	6.73	6.73
	(1.62)	(1.52)	(1.77)	(1.92)	(1.57)
Long term career prospect	6.61	**6.66**	6.00	6.51	6.45
	(1.85)	**(1.60)**	(2.00)	(2.10)	(1.70)
Working environment	**6.73**	6.62	5.99	6.62	6.36
	(1.65)	(1.53)	(1.88)	(1.93)	(1.63)
Job security	6.58	6.55	5.93	**7.04**	6.40
	(1.93)	(1.64)	(2.07)	**(1.71)**	(1.67)
Applicability of university degree studied	6.74	**6.76**	6.24	6.60	6.56
	(1.79)	**(1.61)**	(1.86)	(1.92)	(1.60)

Note:
The value reported is the mean value of the job sector preference with standard deviation in parentheses.

The Ordered Logit Model

Table 4 summarizes the estimated ordered logit models for the importance of the seven job selection criteria, where FLEX represents job selection criteria of flexible working schedule (Model 1), LONG represents the long term career prospect (Model 2), WORK represents the working environment (Model 3), APP represents the applicability of university degree studies (Model 4), SAL represents the salary (Model 5), OPP represents opportunity to learn (Model 6), and JSEC represents the job security (Model 7).

The notes no.4-6 (under Table 4) summarizes the models' goodness of fit evaluation results. For all the estimated models, the Wald test on overall goodness of fit is found significant with p-value of approximately zero. In addition, the hit-miss is evaluated using the estimated models and actual sample proportion (as benchmark), as presented in note no.5 of Table 4, it is found that the percentage correctly predicted for all the estimated models are consistently higher than the percentage correctly predicted using actual sample proportion. These results

imply that the estimated models are significantly improving the predictive power. The general specification test performed on the estimated model, found no evidence of wrong functional form at 5% significant level. The significance of boundary parameters (μ_s) also implies the relevance of ordered dimensions. In short, the estimated models are good and no evidences of wrong function forms in the independent variables.

From Table 4, the job sector preferences (J1-J5) clearly have different significant impact on the importance of job selection criteria. The level of preference on job sector of banking and finance (J1) has significant positive effect on the importance of job selection criteria of FLEX, LONG, WORK and APP; and U-shape quadratic effect on SAL and JSEC. This implies that the increase preference on the job sector of banking and finance will increase the probability of having higher perceived importance of the job selection criteria of FLEX, LONG, WORK and APP. Whereas, for the SAL and JSEC, the effect is quadratic with negative impact initially and turn into positive impact after the turn point of 5.5 and 5.3 respectively1.

For the job sector of business and administration (J2), it has positive impact on importance of LONG, WORK and APP. In addition, it is also found to have quadratic effect on SAL where the power of two of J2 is significant at 5% level. For the job sector of education (J4), it is more concerned with selection criteria of FLEX and JSEC. In short, the importance of job selection criteria is influenced by different job sector preferences. Thus, there is evidence of job sector preference heterogeneity on the perceived importance of job selection criteria. For instance, those who prefer the education job sector will tend to have higher perceived importance of job selection criteria of flexible working schedule and job security. Those who prefer the business and administration job sector will tend to have higher perceived importance of job selection criteria of long term career prospect, working environment, applicability of university degree studied and salary.

In terms of gender and ethnicity, we found significant differences of gender and ethnicity on the perceived importance of job selection criteria of WORK, APP and JSEC. It is found that compared to the male, the female are more concerned about job selection criteria of working environment, applicability of university degree studies and job security. Compared to Malay, Chinese graduates are found to be more concerned on the opportunity to learn in their job selection criteria and less concerned about the applicability of university degree studied. Nevertheless, for the ethnicity of Indian and others, they do not have significant difference compared to the Malay. For academic attainment, there is no significant difference found among the various job selection criteria.

Table 4: The Estimated Ordered Logit Models

	Model 1 (FLEX)	Model 2 (LONG)	Model 3 (WORK)	Model 4 (APP)	Model 5 (SAL)	Model 6 (OPP)	Model 7 (JSEC)
J1 (banking and finance)	0.2783***	0.1962**	0.1831*	0.2681***	-1.4702***	0.4177	-0.9901***
J2 (business administration)	0.0807	0.3118***	0.1656*	0.1632*	-0.7844	-0.0067	0.3086
J3 (investment)	0.2424***	-0.0246	0.1032	-0.0021	-0.3345	0.4038**	0.3559
J4 (education)	0.2069***	0.0909	-0.0356	0.1218*	0.3954	-0.0979	-1.2642***
J5 (production and mfg mgt)	0.0256	0.1259*	0.1990**	0.0844	-0.3609	0.2371	-0.2044
Dgender	0.3679	0.3495	0.5092**	0.7004***	-0.9238	-1.6719	0.5035*
Drace2	-0.0587	0.0006	-0.0589	-0.8368*		0.5418*	-0.0823
Drace3	0.0905	0.6586	0.9549	0.8778		-0.3627	-0.1745
Drace4	0.4590	0.8007	1.0973	-0.4373		-1.0104	0.5091
CGPA	0.4653	0.4340	0.0653	-0.0818	0.3343	1.4504	1.1295
CGPA2						-0.2581	-0.1601
Drace1					0.1628		
J1*2					0.1340***		0.0934***
J2*2					0.0871**		-0.0121
J3*2					0.0283		-0.0380
J4*2					-0.0228		0.1218***
J5*2					0.0340		0.0249
J1*GENDER					0.2757	-0.0879	
J2*GENDER					-0.1684	0.2532	
J3*GENDER					-0.0406	-0.1680	
J4*GENDER					-0.1354	0.1648	
J5*GENDER					0.3022	0.1093	
_cut1	0.8535	0.1527	-0.7194	-0.7579	-8.6732***	1.8043	-5.5082
_cut2	1.5594	0.8604	0.8240	-0.2184	-7.9644***	3.4404	-4.7986
_cut3	2.2733**	2.5398**	1.8427*	0.2813	-7.5410***	4.2577	-4.1673
_cut4	4.9959**	3.5224***	2.9793***	0.8129	-5.8583**	5.9891	-3.4669
_cut5	6.2219***	4.3812***	4.3035***	2.2287**	-4.5363**	7.2625	-2.1542
_cut6	7.5561***	5.5114***	5.9017***	3.2954***	-3.2825	8.6576*	-0.9782
_cut7	8.9449***	7.2468***		4.5610***	-1.8875	10.5209*	0.5768
_cut8				6.2433***			

Notes:
1. ***, **, and * represent significant at 1%, 5%, and 10% level respectively.
2. The model 5, 6 and 7 have different specification since at the similar specification of model 1-4, there is evidence of wrong functional form at 5% level (using the general specification test) which suggest inadequate of function form of independent variables. Thus, model 5-7 have re-specified into different specification from model 1-4.
3. Please refer to Appendix A for definition and measurement of the variables.

4. The overall goodness fit test (Wald test) is found significant at 1% level for all estimated models.
5. The overall percentage correctly predicted is 39.54%(22.55%), 33.22%(20.20%), 41.53% (21.83%), 39.20%(23.39%), 36.55%(22.63%), 34.88%(22.84%), and 36.46%(20.44%) for model 1, 2, 3, 4, 5, 6 and 7 respectively. In parentheses is the overall percentage correctly predicted using naïve model of actual sample proportions.
6. The general specification test founds no evidence of wrong functional form at 5% level for all the estimated models.

V. CONCLUSION

In conclusion, it is found that the long term career prospect is the most important job selection criterion, followed by job security, working environment, salary, opportunity to learn, applicability of university degree studied and flexible working schedule. Thus, for firms that are unable to offer competitive salaries, they may wish to emphasize on the long term career prospect factor, in order to attract top quality job applicant from UUM economics graduates. Consistent with the finding of Lau & Pang (1995), it is found that the fit of the course of study has low relative importance among the job selection criteria. This is not a surprising result for economics graduates. The skills and knowledge derived from economics degrees are less technical, compared to other professional degree such as accounting. It is true that getting the jobs that can apply the skills and knowledge obtained is the best. However, in order to maximize the probability of getting employment, it is reasonable that the students do not choose to limit their job search in their field of studies.

We also found that the importance of job selection criteria is influenced by job sector preferences. If the preferred job sector is business administration, then the job selection criteria of long term career prospect, working environment, applicability of degree studies and salary is more relevant. However, if the preferred job sector is education, then the selection criteria of flexible working schedule and job security is more relevant. Hence, the relative importance of job selection criteria is not homogenous across the job sector preferences. For instance, for firms in the education sector, they may wish to emphasize more on the job security and flexible working hours in order to attract top quality economics graduates. But, for firms in the business and administration sector, their emphasis should not be on job security and flexible working schedule.

The academic attainment is found to have no influence on the importance of job selection criteria. Nevertheless, the gender and ethnicity have significant influence. For firms that wish to attract more female staff, the emphasis should be on the working environment,

applicability of university degree studies and job security. To attract the top quality Chinese graduates, the emphasis should be on opportunity to learn rather than applicability of university degree studied. There is the observed individual heterogeneity and job sector preference in influencing the importance of job selection criteria. This should be taken into consideration when designing recruitment strategies, especially when recruiting economics graduates.

There are some limitations that put caveats on the conclusion. The job search process is a continuous and dynamic process. This paper investigates at only one point of time of this dynamic process, i.e., at the point before the job search starts (pre job search). The actual importance of job selection criteria can be different from this pre job search, due to some factors such as the gathering of more information during the job search and more commitment on the actual job selection decision. The pre job search perceived importance and actual importance of job selection criteria can be two distinct processes that are influenced by different factors. Also, the unobserved individual heterogeneity may distort the results obtained. It is suggested that the future researches may make use of more rich data set, such as the panel data, that enable the control of unobserved individual heterogeneity (at least, statistically) and examine the dynamic process of graduates job selection criteria.

NOTE

1. Given the quadratic function of $Y=a+bx+cx^2$, to obtain the turning point (max / min), by the rule of differentiation, $\frac{\partial y}{\partial y} = b + 2cx = 0 \Rightarrow b + 2cx = 0 \Rightarrow x \frac{-b}{2c}$. Thus, the turning point of the quadratic effect of J1 on SAL is equal to 5.5 ($\frac{-(-1.4702)}{2(0.134)} = 5.5$) and on SAL is equal to 5.3 ($\frac{-(-0.9901)}{2(0.0934)} = 5.3$).

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Appendix A
Definition and Measurement of Variables

Variable Abbreviation	Definition	Measurement
J1	Job sector preference of banking and finance	Ordinal scale of 1 to 9
J2	Job sector preference of business administration	Ordinal scale of 1 to 9
J3	Job sector preference of investment	Ordinal scale of 1 to 9
J4	Job sector preference of education	Ordinal scale of 1 to 9
J5	Job sector preference of production and manufacturing management	Ordinal scale of 1 to 9
Dgender	Dummy variable for gender	1 if female
		0 if male
Drace2	Dummy variable for ethnicity: Chinese	1 if Chinese
	(Base or comparison group =Malay)	0 if otherwise
Drace3	Dummy variable for ethnicity: India	1 if Indian
	(Base or comparison group = Malay)	0 if otherwise
Drace4	Dummy variable for ethnicity: Others	1 if others
	(Base or comparison group = Malay)	0 if otherwise
CGPA	Cumulative Grade Point Average (Academic attainment)	In continuous scale of 2-4
CGPA2	CGPA power of two	
Drace1	Dummy variable for ethnicity: Malay	1 if Malay
		0 if non Malay
J1*2	J1 power of two	
J2*2	J2 power of two	
J3*2	J3 power of two	
J4*2	J4 power of two	
J5*2	J5 power of two	
J1*GENDER	Interactive variable of J1 and Dgender	
J2*GENDER	Interactive variable of J2 and Dgender	
J3*GENDER	Interactive variable of J3 and Dgender	
J4*GENDER	Interactive variable of J4 and Dgender	
J5*GENDER	Interactive variable of J5 and Dgender	
_cut1 - _cut 8	The estimated boundary parameters	